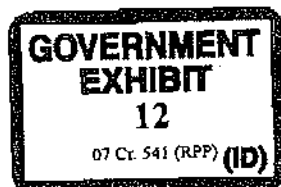


U.S. DEPARTMENT OF COMMERCE		GRANT <input checked="" type="checkbox"/> COOPERATIVE AGREEMENT
<b>FINANCIAL ASSISTANCE AWARD</b>		ACCOUNTING CODE cc: 1/4721348 Req. No. 1/472-2136
RECIPIENT NAME Computer Aided Surgery, Inc.		AWARD NUMBER 70NANB1H3050
STREET ADDRESS 300 East 33 <sup>rd</sup> Street, Suite 4N		FEDERAL SHARE OF COST \$800,000.00
CITY, STATE, ZIP CODE New York, NY 10016		RECIPIENT SHARE OF COST \$ 36,500.00
AWARD PERIOD October 1, 2001 through September 30, 2004 (project period)*		TOTAL ESTIMATED COST \$843,000.00 *
AUTHORITY P.L. 100-418, Section 5131 (codified at 15 USC 278n) as modified by P.L. 102-245		
CFDA NO. AND PROJECT TITLE 11.612, Advanced Technology Program (ATP), Proposal No. 00-00-4607 Project Title: Anatomic Computer Modeling for Precise and Accurate Therapies		
<p>This Award approved by the Grants Officer is issued in triplicate and constitutes an obligation of Federal funding. By signing the three documents, the Recipient agrees to comply with the Award provisions checked below and attached. Upon acceptance by the Recipient, two signed Award documents shall be returned to the Grants Officer and the third document shall be retained by the Recipient. If not signed and returned without modification by the Recipient within 30 days of receipt, the Grants Officer may unilaterally terminate this Award.</p> <p> <input checked="" type="checkbox"/> Department of Commerce Financial Assistance Standard Terms and Conditions              Special Award Conditions  <input checked="" type="checkbox"/> Line Item Budget  <input checked="" type="checkbox"/> 15 CFR Part 14, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, Other Non-Profit, and Commercial Organizations  <input type="checkbox"/> 15 CFR Part 24, Uniform Administrative Requirements for Grants and Agreements to State and Local Governments  <input type="checkbox"/> OMB Circular A-21, Cost Principles for Educational Institutions  <input type="checkbox"/> OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments  <input type="checkbox"/> OMB Circular A-122, Cost Principles for Nonprofit Organizations  <input checked="" type="checkbox"/> 48 CFR Part 31, Contract Cost Principles and Procedures  <input type="checkbox"/> OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations  <input checked="" type="checkbox"/> Other(s) <u>General Terms and Conditions, Advanced Technology Program (ATP)(8/01); Program Specific Audit Guidelines for ATP Cooperative Agreements with Single Companies (9/99)</u>              * <u>Multi-year Project. See Special Award Condition # 06.</u> </p>		
B-AE93-N-C-F-N-A-36-51000      EIN: 13-388-9180      472/B.J.Lide		
SIGNATURE OF DEPARTMENT OF COMMERCE GRANTS OFFICER Marilyn Goldstein <i>Marilyn Goldstein</i>		TITLE GRANTS OFFICER
TYPED NAME AND SIGNATURE OF AUTHORIZED RECIPIENT OFFICIAL <i>[Signature]</i>		TITLE President
		DATE 9-29-01
		DATE 5 Oct 01



ORIGINAL 6 1/3